Level of sugar production in the country;

(A) The Statutory Minimum Price (SMP) of sugarcane payable by sugar factories for 1992-93 sugar season has been raied to Rs. 31/- per quintal linked to a basic recovery of 8.5 per cent, as against Rs. 26.00 per quintal for the previous season.

(B) For the 1993-94 sugar season, the SMP of sugarcane has been announced in advance at Rs. 32.50 per quintal linked to a basic recovery of 8.5 per cent.

(C) The ex-factory price of levy sugar has been raised commensurate with the increase in SMP, conversion cost & distribution cost. A provision of 40 p./kg. has also been made to recoup the deficits in the Levy Sugar Price Equalisation Fund Account of the Food Corporation of India pertaining to earlier years.

(D) Creation of a buffer stock of 5 lakh tonnes w.e.f. 1.4.1993 for which sugar factories will be reimbursed storage, interest and insurance charges from the Sugar Development Fund.

(E) The levy: freesale ratio of sugar has been changed to 40:60 for 1992-93 season from the earlier ratio of 45:55.

(F) Mid and late period crushing incentives have been announced as under:—

(i) *Mid-crushing*: The incremental/additional production during the period 1.1.1993 to 30.4.1993 over the production in the corresponding period during 1991-92 season would be entitled to 80 per cent freesale, as against the normal freesale entitlement of 60 per cent.

(ii) *Later-crushing*: The sugar production during the period 1.5.93 to 31.7.1993 would be entitled to 72 per cent freesale, as against the normal free-sale, entitlement of 60 per cent.

(f) and (g): The sugar licensing policy, including the option of delicensing, is being examined in all its aspects. In the meanwhile, the present licensing arrangements, notified vide Press Note dated 8.11.1991 will continue.

Procurement of Wheat

572. SHRI P. UPENDRA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that the Food Corporation of India and other Government agencies propose to procure at least 100 lakh tonnes of wheat during the Rabi Season; and

(b) if so, what are the details of the plan and whether procurement has since commenced?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALP NATH RAI): (a) As the procurment of wheat by FCI and State procuring agencies is made under support price operations on a voluntary basis, it is not possible to fix any procurement targets as such.

(b) Adequate number of purchase centres i.e. about 9500 have been opened in major wheat producing States to procure wheat at the procurement prices fixed by the Government. The procurement of wheat for the current 1993-94 rabi marketing season had commenced from 1st April, 1993 and a quantity of 29.48 lakh tonnes of wheat has been procured upto 28.4.93 in the 1993-94 rabi season against 20.83 lakh tonnes procured during the corresponding period last year.